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DEPARTMENT OF LIVESTOCK

Montana State Library



MARC RACICOT, GOVERNOR

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STATE OF MONTANA

(406) 444-2875 MILK CONTROL BUREAU

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BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA

ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

STATE DOCUMENTS

MONTANA STATE
HELENA

Due to the latest data available as of April 5, 1996, as applied to the Producer Formula the Producer Formula Index has been calculated to be **272.13**. (Docket #69-84, first price announcement effective 7/01/84)

MINIMUM PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

EFFECTIVE MAY 1, 1996, the minimum price to be paid milk producers, under ARM 32.24.301, will be **\$15.85** per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of eight cents for each one-tenth of one percent butterfat above or below the midpoint to each producer payment. The value of one pound of butterfat utilized will be eighty cents (\$.80).

MINIMUM PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5%

\$10.86 /CWT

Average spray process dry milk solids

Price per pound = \$1.11250

Multiplied by 8.2 x 8.2

\$9.12250

\$9.12250

PLUS +

Average Grade 'A' 92 score butter

Price per pound = \$0.65500

Multiplied by 4.2 x 4.2

\$2.75100

+ \$2.75100

\$11.87350

LESS 8.5% (\$11.87350 X .085)

- \$1.00925

\$10.86425

Rounded to the nearest whole cent

= \$10.86/hundredweight.

PLEASE RETURN

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CLASS II BUTTERFAT PRICE PER POUND \$0.75 /LB

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Butterfat differential (\$0.65500 X .111) = \$0.07271
 Rounded to the nearest half cent = \$0.075

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CLASS II VALUE OF ONE POUND OF SKIM \$0.08534 /LB

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Butterfat value per pound = \$0.75
 for milk at 3.5% test:

Hundredweight price of milk testing 3.5%	=	\$10.86	
LESS 3.5 pounds of butterfat at	\$0.75 per pound	-	\$2.625
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Value of 96.5 pounds of skim	=	\$8.235	
Value of one pound of skim (8.235 : 96.5 pounds)	=	\$0.08534 /LB	

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PRODUCER CLASS III PRICE IN MONTANA REF: ARM 32.24.301(5)

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CLASS III BUTTERFAT PRICE PER POUND \$0.59 /LB

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Avg. Grade 'A' 92 score butter price/LB	\$0.65500
LESS 10%	- \$0.06550

	\$0.58950

Rounded to the nearest whole cent = \$0.59 per pound.

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CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED \$7.57 /CWT

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Avg. spray process dry milk solid price/LB	\$1.11250
Multiplied by 8.2	x 8.2

	\$9.12250
	\$1.55083

	\$7.57167

Rounded to the nearest whole cent = \$7.57 per hundredweight.

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CLASS III PRICE PER CWT FOR MILK TESTING 3.5% \$9.37 /CWT

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3.5 pounds of butterfat	x \$0.59 per pound =	\$2.065
96.5 pounds of skim	x \$0.07572 per pound =	\$7.307
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		\$9.372 /CWT

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: Marlys M. Koontz
 Marlys M. Koontz, Admin. Support
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON		CLASS II SKIM PRICE BASED ON		CLASS III SKIM PRICE BASED ON	
\$15.85 FOR 3.5% MILK	96.5 LBS. = \$12.875	\$10.86 FOR 3.5% MILK	96.5 LBS. = \$8.800	\$9.37 FOR 3.5% MILK	96.5 LBS. = \$7.787
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.13205	2.50	\$0.09026	2.50	\$0.07987
2.55	\$0.13212	2.55	\$0.09030	2.55	\$0.07991
2.60	\$0.13219	2.60	\$0.09035	2.60	\$0.07995
2.65	\$0.13225	2.65	\$0.09040	2.65	\$0.07999
2.70	\$0.13232	2.70	\$0.09044	2.70	\$0.08003
2.75	\$0.13239	2.75	\$0.09049	2.75	\$0.08007
2.80	\$0.13246	2.80	\$0.09053	2.80	\$0.08011
2.85	\$0.13253	2.85	\$0.09058	2.85	\$0.08015
2.90	\$0.13260	2.90	\$0.09063	2.90	\$0.08020
2.95	\$0.13266	2.95	\$0.09067	2.95	\$0.08024
3.00	\$0.13273	3.00	\$0.09072	3.00	\$0.08028
3.05	\$0.13280	3.05	\$0.09077	3.05	\$0.08032
3.10	\$0.13287	3.10	\$0.09082	3.10	\$0.08036
3.15	\$0.13294	3.15	\$0.09086	3.15	\$0.08040
3.20	\$0.13301	3.20	\$0.09091	3.20	\$0.08044
3.25	\$0.13307	3.25	\$0.09096	3.25	\$0.08049
3.30	\$0.13314	3.30	\$0.09100	3.30	\$0.08053
3.35	\$0.13321	3.35	\$0.09105	3.35	\$0.08057
3.40	\$0.13328	3.40	\$0.09110	3.40	\$0.08061
3.45	\$0.13335	3.45	\$0.09114	3.45	\$0.08065
3.50	\$0.13342	3.50	\$0.09119	3.50	\$0.08069
3.55	\$0.13349	3.55	\$0.09124	3.55	\$0.08074
3.60	\$0.13356	3.60	\$0.09129	3.60	\$0.08078
3.65	\$0.13363	3.65	\$0.09133	3.65	\$0.08082
3.70	\$0.13370	3.70	\$0.09138	3.70	\$0.08086
3.75	\$0.13377	3.75	\$0.09143	3.75	\$0.08090
3.80	\$0.13384	3.80	\$0.09148	3.80	\$0.08095
3.85	\$0.13391	3.85	\$0.09152	3.85	\$0.08099
3.90	\$0.13398	3.90	\$0.09157	3.90	\$0.08103
3.95	\$0.13404	3.95	\$0.09162	3.95	\$0.08107
4.00	\$0.13411	4.00	\$0.09167	4.00	\$0.08111
4.05	\$0.13418	4.05	\$0.09171	4.05	\$0.08116
4.10	\$0.13425	4.10	\$0.09176	4.10	\$0.08120
4.15	\$0.13432	4.15	\$0.09181	4.15	\$0.08124
4.20	\$0.13439	4.20	\$0.09186	4.20	\$0.08128
4.25	\$0.13446	4.25	\$0.09191	4.25	\$0.08133
4.30	\$0.13454	4.30	\$0.09195	4.30	\$0.08137
4.35	\$0.13461	4.35	\$0.09200	4.35	\$0.08141
4.40	\$0.13468	4.40	\$0.09205	4.40	\$0.08145
4.45	\$0.13475	4.45	\$0.09210	4.45	\$0.08150
4.50	\$0.13482	4.50	\$0.09215	4.50	\$0.08154

